Payment of difference of DCRG

776. SHRI KARNENDU BHATTACHARJEE: Will the PRIME MINISTER be pleased to state:

(a) whether Government have received any representation from the retired Government employees regarding payment of difference of the DCRG to pre-1996 pensioners including admissible DA on the date of retirement;

(b) whether Government are aware that necessary amendment to this effect have been implemented *vide* GOI, P&PCCM No. 45/80/97-PG&PW(A) Pt-I dated the 4th December, 2001;

(c) if so, the reasons for denying the benefit of the difference in DCRG to those who retired before 1st January, 1996; and

(d) whether Government are considering to pay the difference, if so, by when?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS (SHRI SURESH PACHOURI): (a) Yes, Sir;

(b) *Vide* OM dated 14.7.1995, the Government prescribed that 97% of the DA should be merged taken as Dearness Pay added to pay for the purpose of gratuity. Thereafter *vide* OM dated 27.10.1997 the Government accepted the Fifth Pay Commisson recommendations and prescribed that 100% of DA be added to the pay and on this the retirement/death gratuity be calculated. This was made effective from 1.1.1996. It did not change any provisions regarding percentage on DA for those who retired before 1.1.1996. *Vide* OM dated 4.12.2001 the Government clarified that the addition to DA for calculation of gratuity would be applicable for calculation of all types of gratuities like death/retirement/service gratuity. In this OM also there is no change in other provisions of OM dated 27.10.1997 including the cut-off date of 1.1.1996. This was further clarified *vide* para (ii) of OM dated 18.2.2003.

(c) and (d) The Government has fixed the cut-off date for adding 100% DA with the basic pay for the purpose of calculation of gratuity as 1.1.1996. It has not agreed to extend the benefit of 100% DA being added for retirees prior to 01.01.1996.